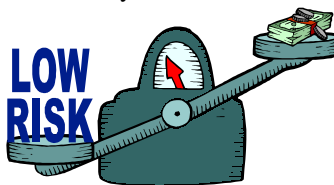


## Great Financing Program Gets Even Better

### *Virginia Capital Access Program Enhancements Announced*

**T**he Virginia Small Business Financing Authority (VSBFA), staffed by DBA's Financial Services division, has made two exciting enhancements to one of its most popular and successful state financing assistance programs. Unlike traditional government guaranty programs that may require extensive application paperwork for the borrower and the bank, the **Virginia Capital Access Program (VCAP)** utilizes a loan-loss reserve to offset losses on loans enrolled by commercial banks. The loan-loss reserve is funded through contributions paid by the borrower and/or the commercial bank and then "matched" by the VSBFA. Banks like the program because the state does not participate in the loan decision and the paperwork for the program is nearly nonexistent.

Currently, the program provides for a 1:1 match by the state for contributions made by the borrower and/or bank, but the VSBFA has recently announced an enhancement to the program that will **double the state's contribution** for the first \$1,000,000 of loans the bank enrolls. This double-match by the state will allow a participating bank to build its loan-loss reserve more quickly and is expected to attract more community-based banks to the program. The VSBFA is also now providing a double match of up to 14 percent for loans to **Virginia's technology businesses** which derive over 50 percent of their revenues from the research, development, fabrication, manufacturing, or marketing of products and applications which use or embody technology.



Although the VCAP has been offered statewide for only two years, the program has proven to be a huge success in assisting Virginia businesses with access to commercial bank financing. Since its inception, VCAP has generated over \$13.3 million in bank financing for 180 small Virginia businesses with a total investment of \$379,277 from the state. This means that **for every \$1 the state has invested, the private sector has loaned \$35**. For more information on the program, please call Anna Mackley Cobb at DBA at (804) 371-8255.

#### News from the Workforce Services Division

## VA's Workforce Training Program Ranked 3rd in Nation

In the Incentives 2000 edition of *Expansion Management* magazine, Virginia's workforce training program was ranked **third in the nation**. For the magazine's third annual Work Force Training ranking, it surveyed national site location consultants and asked their opinions on the states with the best workforce training programs for expanding or relocating companies. The top 15 states for workforce training were chosen because they offer customized programs that are big hits with companies. In FY 2000, Virginia's Workforce Services program assisted 448 companies, providing training for 21,692 Virginians.

**Governor's Cup Award Update:** The Southern Growth Policies Board has unexpectedly decided to discontinue the annual Governor's Cup Award program. DBA would like to thank those who submitted nominations, and we look forward to keeping you apprised of other similar opportunities.

## New Year's Message from the Director

As we enter the true new millennium, DBA continues to grow in important ways. The agency staff has adopted workplace values, which help guide our daily responses to our customers. Soon we will be launching a new and improved business assistance website with several innovative features. The newly restructured **Existing Business Services** division is focusing on a more robust program offering including the continuance of last year's business roundtables across Virginia. The **Financial Services** division has crafted an aggressive marketing effort to help finance small business ventures. The **Small Business** division continues to grow in local coverage and build on the very successful NxLevel training course. The statewide **business incubator program** has leveraged about \$9 for each \$1 the state has invested in this budding network for entrepreneurs. **Workforce Services** continues to "stretch the envelope" of funding by providing record numbers of training programs each year. Our **special events** continue to receive high marks from our customers. And the **administrative support** team behind the scenes keeps us out of trouble and on the road. We have a great team here at DBA, one that goes to work for you each day. I am especially pleased with their collective talents, that are continually tapped as they address the business community's needs.

News from the Existing Business Services Division

## Helping Virginia Companies Update ISO Quality Standards

In order to help Virginia firms with the year 2000 revisions of the ISO 9000 series of quality management standards published in December 2000, DBA, American Electric Power, Wiley & Wilson Corporation, and Virginia Tech Public Service Programs have helped establish ISO 9000 networks of quality assurance professionals from service industries, manufacturers, and nonprofits. The Southwest Virginia ISO 9000 networks are located in Roanoke, Christiansburg, and Abingdon and have met quarterly since 1998 to be briefed on the expected changes to the requirements.

The International Organization for Standardization (ISO) is a worldwide federation of national standards bodies from 150 countries. ISO 9000 is primarily concerned with "quality management." ISO 9000 defines "quality" as all features of a product or service, which are required by the customer. "Quality management" is what the organization does to ensure that its products conform to the customer's requirements.

In addition to the new networks in Southwest Virginia, DBA has helped quality assurance professionals form ISO 9000 networks in Verona, Lynchburg, Richmond, and Norfolk. These networks have evolved to the point where quality assurance professionals from noncompetitive companies audit each other's quality systems. For more information on the new Southwest network, contact Chad Miller, Economic Development Specialist, Virginia Tech Public Service Programs, at (540) 231-8324, or Sam Crockett, Existing Business Services Manager, DBA, at (540) 676-5571.

## EBS Assists with Forest Products Survey

Last June, DBA's Existing Business Services division (EBS) held a **Forest Products Industry Roundtable** in South Boston to discuss regional and industry trends identified by the EBS Industry Visit Program. One of the results of the roundtable was the request for **industry-specific heavy equipment training** in the Commonwealth. Therefore, on behalf of the industry, EBS began discussions with the Southside Virginia Community College (SVCC) Heavy Equipment Operator Training Program to expand the program to include forest products industry-specific equipment training.



In order to assess industry demand and expedite market development, EBS and the SVCC conducted an industry survey. The survey targeted 44 companies in Planning Districts 13 & 14 and had an 80% response rate. Over 50% of the respondents indicated that they would send employees to the Program to obtain an "industry-specific heavy equipment training certificate." Companies specifically requested training on the use of forklifts, loaders, skidders, and knuckle-booms.

Based upon the survey results, SVCC's program added industry-specific equipment training to its February 12 - April 6, 2001, Loader course. In addition, EBS, the SVCC and the VCCS have agreed to collaborate on a statewide survey to determine the demand for heavy equipment operator training in the Commonwealth's forest products industry. For more information, visit SVCC's website at <http://www1.sv.cc.va.us/heavyeq/> or contact Michael Jones at (804) 292-5035.



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